

First Union Rail Corporation

One O'Hare Center
6250 River Road, Suite 5000
Rosemont, Illinois 60018-4214
847 318-7575
Fax 847 318-7588

VIA FEDERAL EXPRESS



March 2, 1999

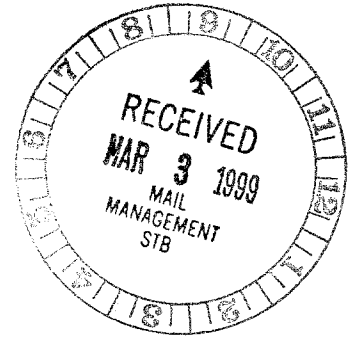
Surface Transportation Board
Attn: Jan Fort
1925 K Street, N.W., Room 704
Washington, DC 20423-0001

RECORDATION NO. 22057

FILED

MAR 3 '99

9-00 AM



Re: Memorandum of Lease Agreement

Dear Ms. Fort:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals and two (2) copies of a Memorandum of Lease Agreement, dated March 4, 1999, a primary document as defined in the Board's Rules for the Recordation of Documents. The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: South Carolina Public Service Authority
One Riverwood Drive
Moncks Corner, SC 29461-2901

A description of the railroad equipment covered by the enclosed document is set forth on Exhibit A, as attached to such Memorandum.

Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned.

If you have any questions or concerns regarding the above-referenced matter, please feel free to contact me at (847) 384-5342. Thank you for your cooperation in this matter.

Very truly yours,

Tiffany Chase
Manager - Documentation

Enclosures

(SPCS002)

RECORDATION NO. 22057

FILED

EXHIBIT A
to
RIDER NO. 2

MAR 3 '99

9-00AM

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 4th day of March, 1999, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and South Carolina Public Service Authority, a body corporate and politic owned by and operating under the laws of the state of South Carolina ("Lessee").

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Master Lease Agreement (the "Lease"), dated as of February 17, 1997, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 2 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of March 4, 1999 and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: K. A. Dombrowski
Name: K. A. DOMBROWSKI

Title: MANAGER - DOCUMENTATION

By: Richard F. Seymour
Name: RICHARD F. SEYMOUR
Title: Vice President Sales & Marketing

Executed on this 23 day of February 1999.

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 23rd day of February, 1999.

Susan Grokulsky
Notary Public

My Commission Expires:

8-14-2000

(Notary Public)



LESSEE:

SOUTH CAROLINA PUBLIC
SERVICE AUTHORITY

ATTEST:

By: Patrick C. Runey
Name: P.C. RUNEY
Title: Fuel Planning & Supply

By: [Signature]
Name: D.L. WRIGHT
Title: MANAGER, PROCUREMENT

Executed on this 12 day of February 1999.

[CORPORATE SEAL]

STATE OF South Carolina

COUNTY OF Berkeley

I, KATHRYN S. SCOTT, a Notary Public of the County and State
aforesaid, certify that D.L. WRIGHT personally appeared before me this day and
acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 12 day of February,
1999.

Kathryn S. Scott
Notary Public

My Commission Expires:

10/03/2000
(Notary Public)

EXHIBIT A
to
MEMORANDUM OF LEASE

Ninety-one (91) Aluminum Bethgons Rotary Gondolas, 4150 cf.
FURX 950026 – 950116 series